

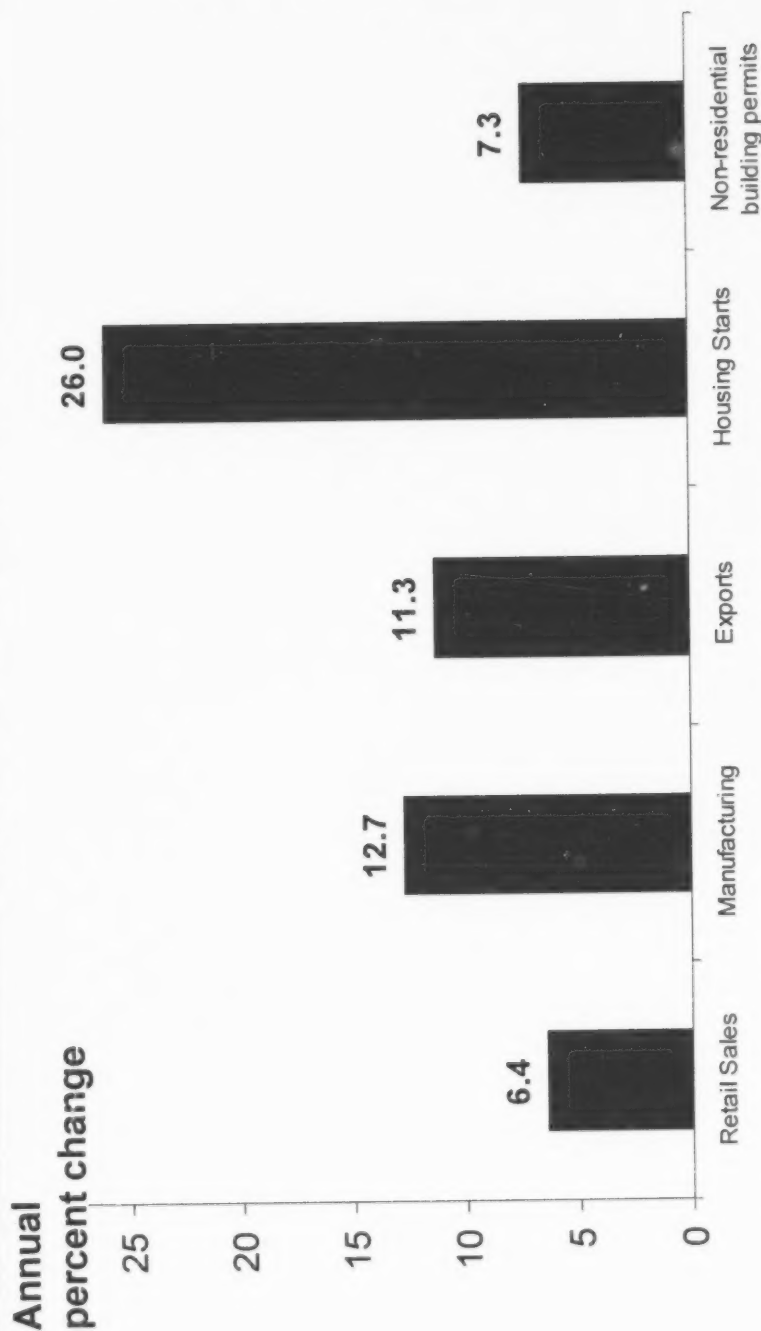
Open Cabinet

Economic Update

Minister of Finance

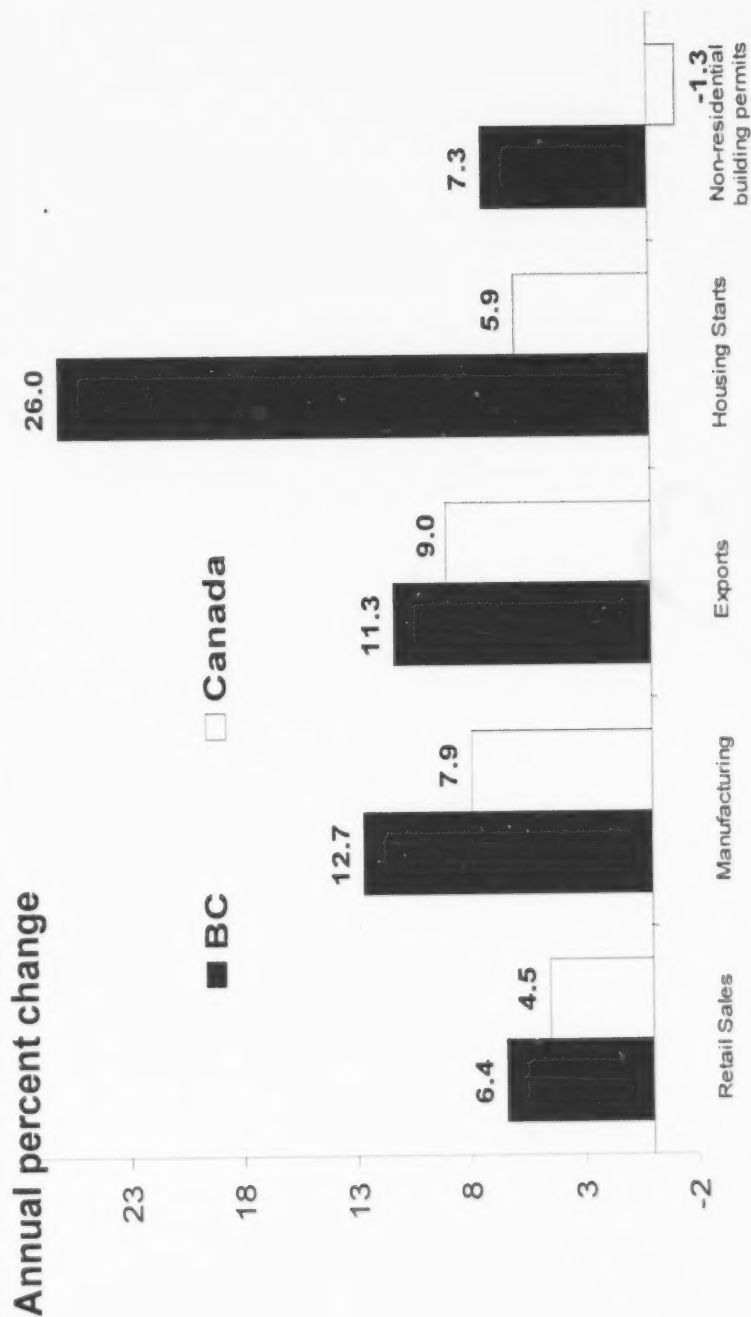
January 26, 2005

BC economy firing on all cylinders...



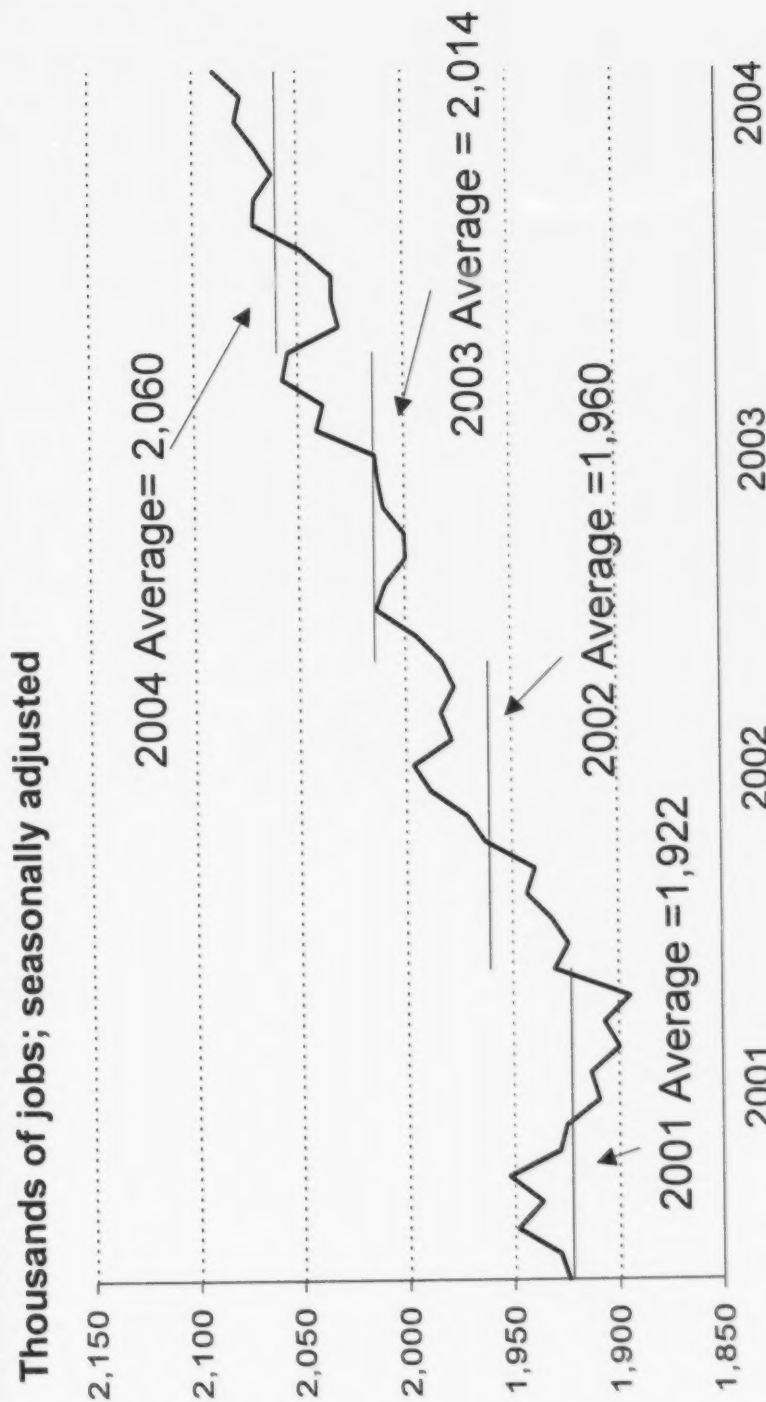
Source: Statistics Canada, CMHC; Data seasonally adjusted (except exports); Data to November except Housing Starts (December)

..... and a leader in Canada



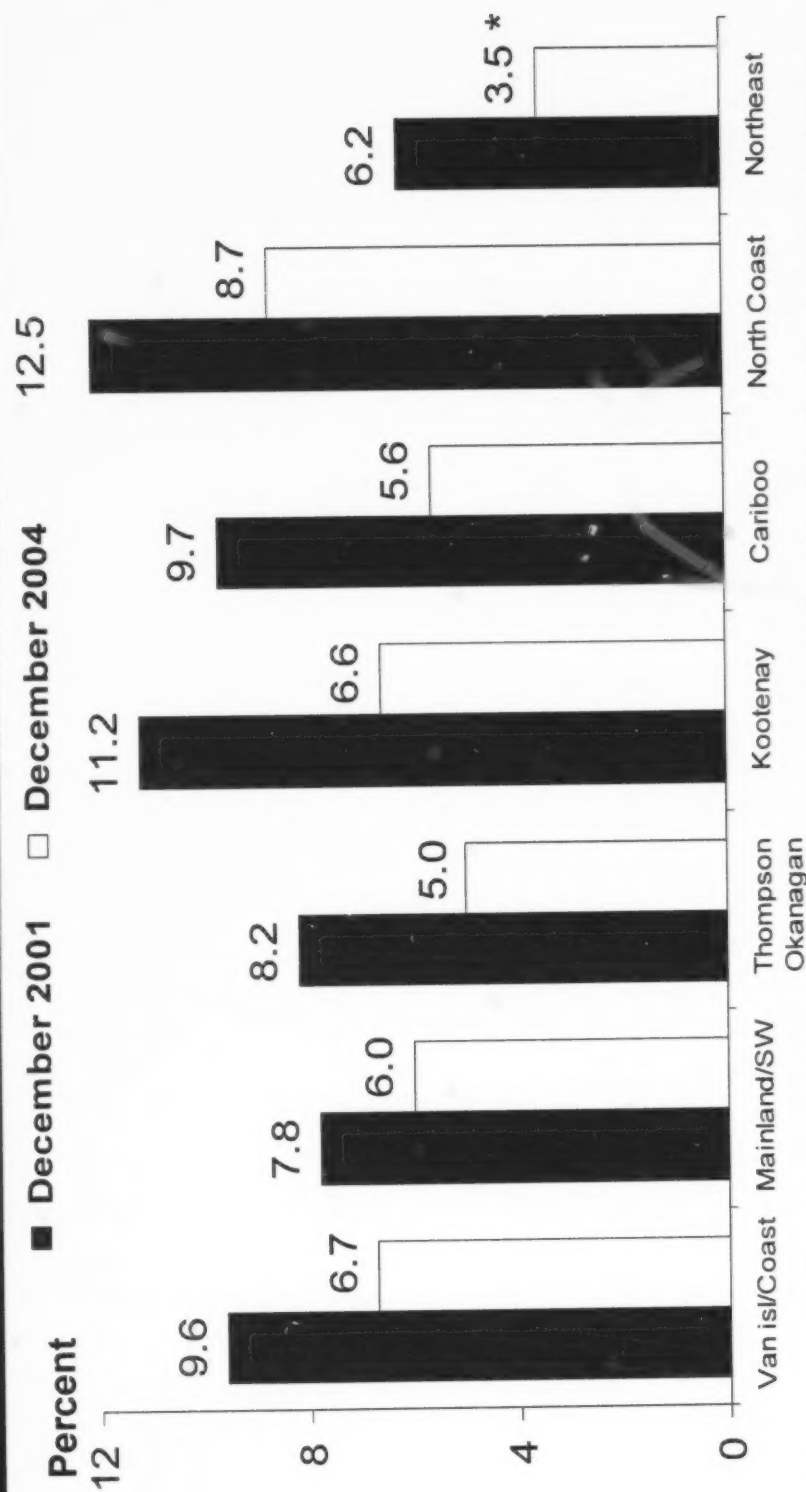
Source Statistics Canada, CMHC; Data seasonally adjusted (except exports); Data to November except Housing Starts (December)

With rapid growth since 2001



Source: Statistics Canada January 26, 2005; annual average numbers are unadjusted

Unemployment rates fall in all regions

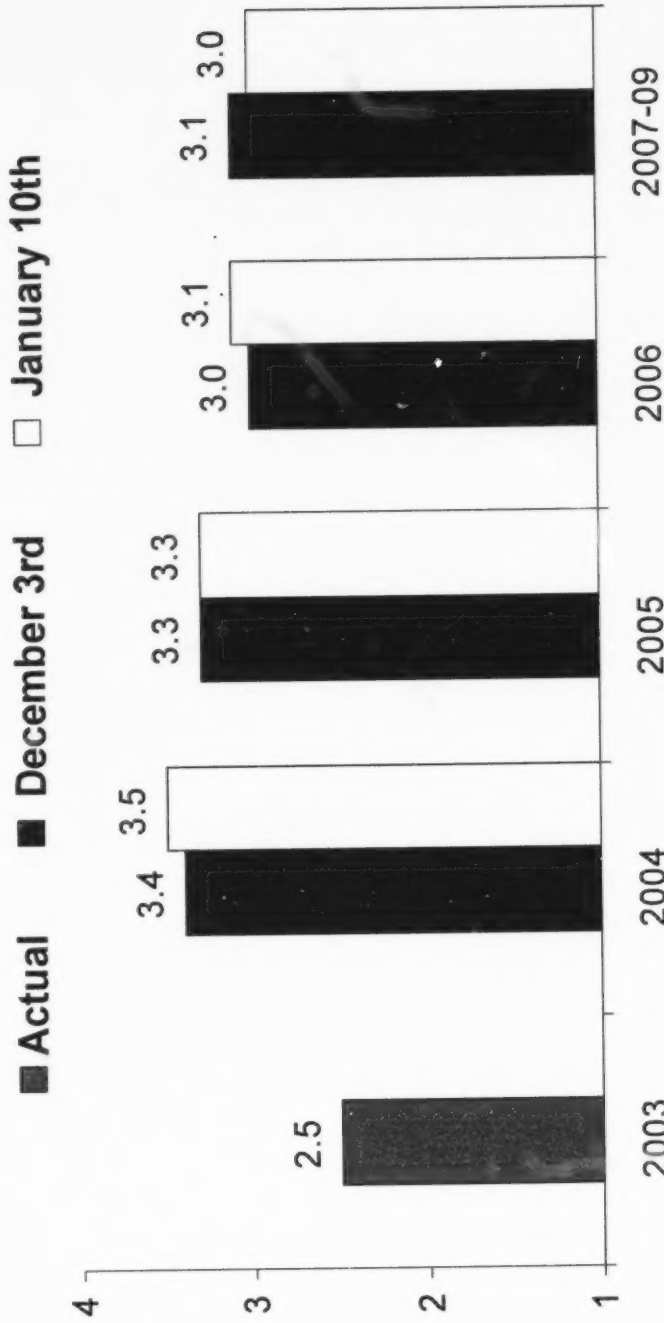


Source: Statistics Canada January 26, 2005; not seasonally adjusted; 3 month moving averages

*BC Stats estimate

BC economic outlook update

BC Real GDP
Annual Per Cent Change



Source: Statistics Canada; Economic Forecast Council

Budget overview

2004/05

- ✓ Provides for one-time initiatives
- ✓ Pays down debt

2005/06 to 2007/08

- ✓ Updates 3 year fiscal plan & extends to 2007/08
- ✓ Continues & enhances health and education funding commitments
- ✓ Funds other priority areas
- ✓ Confirms PST reduction; implements other tax changes
- ✓ Upgrades and expands infrastructure

Next steps

- Finalize budget economic and revenue forecasts
- Complete budget documents:
 - Estimates
 - Budget and three-year fiscal plan
 - Service plans
- Throne Speech **Feb 8th**
- Budget **Feb 15th**